



U.S. Department of Justice

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PRESS RELEASE

GUILTY PLEA ENTERED IN TAX CASE; DEFENDANT ADMITS ASSISTING INDIVIDUALS IN TRANSFERRING PROPERTY TO THE ORDER OF TRANQUILITY

SALT LAKE CITY – Rulon DeYoung, charged in a superseding federal indictment with one count of impeding the lawful functions of the IRS and four counts of tax evasion, pleaded guilty to the charges late Wednesday afternoon in U.S. District Court in Salt Lake City.

U.S. District Court Judge Clark Waddoups set sentencing for DeYoung for July 19, 2010, at 3:30 p.m. He faces up to three years in federal prison for impeding the IRS and up to five years for each count of tax evasion.

DeYoung, along with John and Jana Gauruder, were charged in a superseding indictment returned in September 2008. The indictment alleges that the Gauruders attempted to evade payment of income tax due by John Gauruder in the amount of approximately \$336,843 for the tax years 1995 through 2001. The indictment alleges that Jana Gauruder transferred title to

the Gauruders' personal residence into the name of a nominee controlled by DeYoung.

As a part of his plea agreement Wednesday, DeYoung admitted that he became aware of various individuals, including the Gauruders, who had been assessed taxes by the IRS. He said he knew that these individuals either had tax liens on some piece of property they owned, either in their own names or in the names of a nominee, or that they had received notices from the IRS and were in danger of losing those properties. DeYoung admitted he assisted each of the individuals in transferring their property to The Order of Tranquility. After these individuals had transferred their properties to The Order of Tranquility, they continued to use those properties as they had before the transfers.

DeYoung admitted that because of his prior experience, he was aware that the actions these individuals were taking were inconsistent with the laws of the United States as interpreted by the courts of the United States.

A trial for John Gauruder, charged with one count of attempting to evade payment of taxes, is scheduled to begin Monday in federal court. Jana Gauruder's case is set for trial Aug. 23, 2010. Both trials are in Judge Waddoups' court.

The case is being prosecuted by attorneys from the U.S. Department of Justice's Tax Division and the U.S. Attorney's Office in Utah and is being investigated by IRS Criminal Investigation agents.

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